



South Carolina Department of Insurance

Division of Financial Services
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(Issued upon July 12, 2004)

To: Property and Casualty Insurers Writing Automobile Insurance

From: Ernst N. Csiszar
Director

Subject: Procedures at Department of Motor Vehicles for Automobile Insurers
And Implementation of Insurance Database

The Department of Insurance and the Department of Motor Vehicles are continuing their joint effort to combat the problem of uninsured motorists. Through the Working Group established in 2002, the insurance industry has been a partner in the progress being made.

This Bulletin has as its purpose to update insurers and agents regarding the requirements for the Automated Liability Insurance Reporting (ALIR) system, scheduled for full implementation on September 15, 2004. Insurers are required to begin electronic reporting of regular insurance policy cancellations using the ALIR system on September 15, 2004. Questions concerning this date and the enforcement thereof should be addressed to the Department of Insurance.

Prior to reporting, insurers must register to use the system and submit test data through the system. The Department strongly encourages insurers to register by August 15, 2004 so as to have completed the registration and testing process by September 15, 2004.

Insurers should register through the ALIR website: www.sc-alir.com. The site also includes a HELP link, on which the system Implementation Guide, Supplemental Reporting Guide and Frequently Asked Questions are posted. The site provides a link to the ALIR help desk as well.

In conjunction with the full implementation of the ALIR system on September 15, 2004, uninsured motorist fee that is provided for in South Carolina Code of Laws, 38-77- increases to \$2 on September 15, 2004, as well.

South Carolina Code of Laws, Section 38-73-470 is as follows:

"Two dollars of the yearly premium for uninsured motorist coverage is directed to be paid to the South Carolina Department of Public Safety to be placed on deposit with the State Treasurer in the "Uninsured Enforcement Fund", payable on a quarterly basis, to provide for the costs of enforcing and administering the

provisions of Article 3, Chapter 10, Title 56. Of the two dollars collected, eighty cents must be distributed to the South Carolina Highway Patrol and one dollar twenty cents must be distributed to the Motor Vehicles Division. Interest earned by the "Uninsured Fund" must be retained by that fund. There is no requirement for an insurer or an agent to offer underinsured motorist coverage at limits less than the statutorily required bodily injury or property damage limits."

The \$2 uninsured motorist fee should be remitted quarterly. Payment should be remitted to:

Department of Motor Vehicles
Post Office Box 1498
Blythewood, SC 29016
Attn: Tejal Joshi

The contact person for this bulletin at the Department of Insurance is:

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